

FISCAL NOTE

SB 3213 - HB 3426

March 25, 2004

SUMMARY OF BILL: Creates the Tri-County Regional Utility Authority of Knox, Grainger, and Union counties. Specifies that such Authority is a public and governmental body and is exempt from state, county and municipal taxation. Provides for the transfer of any treatment works properties to the authority and specifies that the agreement for such transfer may include provisions for the reimbursement of any governmental entity for its obligations issued for such treatment works. Provides for a five member board of commissioners of the Authority and outlines procedures for appointment of members and filling vacancies on the board. Specifies that commissioner are entitled to payment for their attendance at meetings in the same manner as utility district commissioners and for reimbursement of expenses. Provides that the Tennessee Regulatory Authority shall have no jurisdiction over the newly created Utility Authority.

ESTIMATED FISCAL IMPACT:

Decrease Local Govt. Expenditures - Exceeds \$1,000,000 / Permissive
Decrease Local Govt. Revenues - Exceeds \$1,000,000 / Permissive

Estimate assumes local governments choosing to transfer infrastructure and equipment to the new authority would also relinquish the ability to collect revenues from the operation of utility services resulting in a decrease in revenues estimated to exceed \$1,000,000. Such local governments would also transfer the responsibility for operation and maintenance of facilities and for construction of new facilities and infrastructure resulting in a decrease in expenditures estimated to exceed \$1,000,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



SB 3213 - HB 3426

James W. White, Executive Director